

February 06, 2003

Dale Brunotte
Environmental Specialist
Air Operating Permits Section
7900 Hickman Road, Suite 1
Urbandale, Iowa 50322

RE: IPSCO Steel, Inc.
Muscatine, Iowa

Dear Mr. Brunotte:

On September 13, 2002, we received the pre-draft Title V permit for the subject facility. The purpose of this letter is to advise you that there are significant deficiencies in the draft permit. If these deficiencies are not addressed, EPA will object to the issuance of this Title V permit pursuant to Section 505(b)(1) of the Clean Air Act ("the Act").

These deficiencies fall into two basic categories. The first has to do with emission limits and applicable requirements. As set forth in the attached Notice of Violation issued to IPSCO Steel, Inc., portions of the PSD permits issued for the electric arc furnace and other units in July 2002 do not apply Best Available Control Technology (BACT) as required by the Act and the State Implementation Plan ("SIP"). Inclusion of these non-BACT limits in the pre-draft Title V permit does not assure compliance with applicable requirements of the Act and the SIP, as required by Section 504(a). You must either correct the July 2002 PSD permitting deficiencies as a prerequisite to the issuance of a valid Title V permit or you must resort back to BACT-based limits in earlier iterations of the permits.

The second primary category of deficiencies pertains to monitoring required under 40 C.F.R. § 70.6(a)(3) and (c)(1). In general, and for nearly all the emission units listed in the Title V operating permit, the monitoring specified in the Title V permit is inadequate to demonstrate continuing compliance as required by the SIP and the Part 70 monitoring regulations. The monitoring is inadequate for most of the pollutants for which limits are specified, including PM/PM₁₀, SO_x, NO_x, VOC, CO, Pb, Be, F and opacity.

We have not completed a detailed review of this permit, but will do so after a draft permit is made available for public comment. If you have any questions regarding this letter, please do not hesitate to contact Harriett Jones by telephone at (913) 551-7730 or via email at jones.harriett@epa.gov.

Sincerely,

Donald Toensing, Chief
Air Permitting and Compliance Branch

cc: Doug Campbell, Air Permits Chief, Iowa Department of Natural Resources
Steve Palko, IPSCO Steel Inc., 1770 Bill Sharp Boulevard, Muscatine, Iowa 52761-9412

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